

## Opening Remarks by Mr. Angel Gurría, Secretary-General, OECD

*Rome, 21 November 2007*

*Prime Minister Prodi, Ministers, Ladies and Gentlemen,*

It is a great pleasure to be in Rome to celebrate the Tenth Anniversary of the OECD Anti-Bribery Convention. I would like to thank our Italian hosts for their invitation but also the many Ministers present here today who have accepted our invitation.

Your presence is a strong signal. It shows just how important this birthday is. In fact, the tenth anniversary of the Convention marks the beginning of a new phase in combating bribery. Never before have so many ministers come together with the OECD to affirm their willingness to support anti-bribery policies and never before have we had such a broad representation of countries committed to the principles and objectives outlined in the Convention.

A decade ago, on the 21<sup>st</sup> of November 1997, the Convention was adopted. Today, there are 37 Parties to the Convention. Apart from the 30 member countries, Argentina, Brazil, Bulgaria, Chile, Estonia, Slovenia and, most recently, South Africa are also signatories.

Anniversaries are always an occasion to look back. What have we achieved in the past ten years? A lot, I am proud to say. Thanks to the OECD Convention, governments have passed new anti-bribery laws and created special investigation and prosecution units. They have made the sanctions for foreign bribery effective and dissuasive, and improved international co-ordination and co-operation. Bribes can no longer be claimed as a tax deduction. Thus, the Convention has been a major step forward in creating a global level playing field.

But it is one thing to enact laws, and another to enforce them. That is why we put a strong emphasis on monitoring and evaluating implementation. Yesterday, we had a meeting of prosecutors on the detection, investigation and prosecution of foreign bribery, an important milestone in exchanging very practical experiences in combating corruption. Such international co-operation is essential, as advances in finance and technology are making crimes of corruption easier to commit and harder to detect and prosecute. Together, we need to be more vigilant and less tolerant.

Today, there are more than 150 ongoing foreign bribery investigations. At least 30 individuals and companies that committed foreign bribery have been penalized, in some cases with hefty multi-million dollar fines; only very recently the German authorities fined a local company for €200 million for bribery of foreign public officials.

Now I do not want to spoil the birthday party but I do have to say that what we have achieved is still not good enough. The ten years of the Anti-Bribery Convention offer no reason for complacency. Much more needs to be done. Some, including members of the G-7, are still holding back on implementing the Convention. They are backtracking instead of advancing. They have almost no investigations; they have brought no cases to court. They are not being sufficiently pro-active.

This needs to change. Without credible action across a broad front, pressures will build on governments – even those who are currently strong performers -- to go the other way. There is a big risk that countries will go back to doing “business as usual”, including corruption. The only way to prevent this is to ensure that everyone plays by the same rules. We need practical measures, and, most importantly, we need political commitment.

The OECD Working Group on Bribery, which oversees implementation of the Convention, is trying hard to increase enforcement by undertaking rigorous peer-reviews and analysing potential obstacles to implementation. Such bribery is extremely complex, often using intermediaries and financial transactions across many jurisdictions, so strong cooperation in law enforcement between the Parties is also essential. But the real problem is political. Governments must send a clear message that the Convention is a priority. Law enforcement will act on this message and the Convention will be more effective.

It is true that the Convention has changed the rules of the game. It has increased visibility of corruption of foreign officials, it has brought bribery to the fore. It is the tool that helps

countries to ensure that others do not benefit from undue advantages. And here I think some pride is warranted. Where would we stand today on this issue without the OECD Convention?

But we need more countries, especially the emerging economies like China, Russia and India, to join the Convention. In the past, they were mostly buyers of products and services offered by companies based abroad. They are now home to a growing number of companies that sell in the international markets. Their action on bribery of foreign officials has thus become an important and urgent task in promoting sustainable development and playing on a level field – as the Convention spells out.

I would like to call on the Parties to the Convention to help us lobby for the Convention and encourage more countries to join. Delegations from China, India, Indonesia, Israel and Russia have come to this meeting and I hope that we will be able to welcome them as new Parties to the Convention soon.

Of course, the Convention needs to be taken on board by all stakeholders. More and more business and civil society organisations are actively engaged in fighting corruption. Let me mention just a few of these. Transparency International and the International Chamber of Commerce have been key partners for well over a decade. In addition, through the Davos Partnering Against Corruption Initiative (PACI), launched by CEOs from the Engineering & Construction, Energy and Metals and Mining industries, over 120 companies commit to strengthening efforts to counter corruption and bribery. We thank these organisations for their commitment and on-going efforts to join forces with the OECD Convention. We also hope that more companies will take on board the anti-corruption policies and strategies that they so vigorously promote. Finally, we also need to deepen our relations with all other international organisations active in combating corruption.

In conclusion, let me say that we have reason to celebrate today and use this as an occasion to push the agenda along further in the next ten years. The second decade of the OECD Convention on Combating Bribery of Foreign Public Officials should be one of ambition, of commitment and collaboration. In ten years' time, I hope, we will need a much bigger room to accommodate all the Parties to the Convention and our list of successes will be even more impressive than it is today.

*Thank you.*